

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	:	Chapter 11
CENTER CITY HEALTHCARE, LLC d/b/a	:	
HAHNEMANN UNIVERSITY HOSPITAL, <i>et</i>	:	Case No. 19-11466 (MFW)
<i>al.</i> , <sup>1</sup>	:	
	:	
Debtors.	:	(Jointly Administered)
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CENTER CITY HEALTHCARE, LLC,	:	
PHILADELPHIA ACADEMIC HEALTH	:	
SYSTEM, LLC, ST. CHRISTOPHER’S	:	
HEALTHCARE, LLC, PHILADELPHIA	:	
ACADEMIC MEDICAL ASSOCIATES, LLC,	:	
HPS OF PA, L.L.C., SCHC PEDIATRIC	:	
ASSOCIATES, L.L.C., ST. CHRISTOPHER’S	:	
PEDIATRIC URGENT CARE CENTER,	:	
L.L.C., SCHC PEDIATRIC ANESTHESIA	:	
ASSOCIATES, L.L.C., STCHRIS CARE AT	:	
NORTHEAST PEDIATRICS, L.L.C., TPS OF	:	
PA, L.L.C., TPS II OF PA, L.L.C., TPS III OF	:	
PA, L.L.C., TPS IV OF PA, L.L.C. and TPS V	:	
OF PA, L.L.C.,	:	
	:	
Plaintiffs,	:	
	:	
v.	:	Adv. Pro. No. 21-50991 (MFW)
MBNF INVESTMENTS, LLC, AMERICAN	:	
ACADEMIC HEALTH SYSTEM, LLC,	:	
PHILADELPHIA ACADEMIC HEALTH	:	
HOLDINGS, LLC, FRONT STREET	:	
HEALTHCARE PROPERTIES, LLC, FRONT	:	
STREET HEALTHCARE PROPERTIES II,	:	
LLC, BROAD STREET HEALTHCARE	:	
PROPERTIES, LLC, BROAD STREET	:	
HEALTHCARE PROPERTIES II, LLC	:	
BROAD STREET HEALTHCARE	:	
PROPERTIES III, LLC, PHILADELPHIA	:	
ACADEMIC RISK RETENTION GROUP,	:	
LLC, PALADIN HEALTHCARE CAPITAL,	:	
LLC, JOEL FREEDMAN, STELLA	:	
FREEDMAN, SVETLANA ATTESTATOVA,	:	
and KYLE SCHMIDT,	:	
	:	
Defendants.	:	

The Debtors in these cases, along with the last four digits of each Debtor's federal tax identification number, are: Center City Healthcare, LLC (3341), Philadelphia Academic Health System, LLC (8681), St. Christopher's Healthcare, LLC (8395), Philadelphia Academic Medical Associates, LLC (8165), HPS of PA, L.L.C. (1617), SCHC Pediatric Associates, L.L.C. (0527), St. Christopher's Pediatric Urgent Care Center, L.L.C. (6447), SCHC Pediatric Anesthesia Associates, L.L.C. (2326), StChris Care at Northeast Pediatrics, L.L.C. (4056), TPS of PA, L.L.C. (4862), TPS II of PA, L.L.C. (5534), TPS III of PA, L.L.C. (5536), TPS IV of PA, L.L.C. (5537), and TPS V of PA, L.L.C. (5540).

**DEBTORS-PLAINTIFFS' STATUS REPORT**

Center City Healthcare, LLC, Philadelphia Academic Health System, LLC, St. Christopher's Healthcare, LLC, Philadelphia Academic Medical Associates, LLC, HPS of PA, L.L.C., SCHC Pediatric Associates, L.L.C., St. Christopher's Pediatric Urgent Care Center, L.L.C., SCHC Pediatric Anesthesia Associates, L.L.C., StChris Care at Northeast Pediatrics, L.L.C., TPS of PA, L.L.C., TPS II of PA, L.L.C., TPS III of PA, L.L.C., TPS IV of PA, L.L.C. and TPS V of PA, L.L.C. (collectively, the “**Debtors**” or the “**Debtors-Plaintiffs**”) the debtors and debtors-in-possession in the above captioned jointly administered chapter 11 cases and the Plaintiffs in the captioned adversary proceeding (the “**Adversary Proceeding**”), by and through their undersigned attorneys, hereby provide the following status report with respect to the Adversary Proceeding filed against Joel Freedman, Stella Freedman, Svetlana Attestatova, Kyle Schmidt, MBNF Investments, LLC, American Academic Health System, LLC, Philadelphia Academic Health Holdings, LLC, Front Street Healthcare Properties, LLC, Front Street Healthcare Properties II, LLC, Broad Street Healthcare Properties, LLC, Broad Street Healthcare Properties II, LLC, Broad Street Healthcare Properties III, LLC, Philadelphia Academic Risk Retention Group, LLC, and Paladin Healthcare Capital, LLC (collectively, the “**Defendants**”), as follows:

1. On June 30, 2019 and July 1, 2019, each of the Debtors commenced a case under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their business and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No party has requested the appointment of a trustee or examiner in these Chapter 11 Cases.

2. On July 15, 2019, the United States Trustee for the District of Delaware appointed the Official Committee of Unsecured Creditors in the Chapter 11 Cases.

3. On June 29, 2021, the Debtors-Plaintiffs filed the complaint in the Adversary Proceeding against the Defendants.

4. The claims at issue in the Adversary Proceeding, as well as a number of other claims, are currently the subject of mediation before the Honorable Kevin J. Carey (ret.) as mediator, pursuant to orders of the Bankruptcy Court dated February 23, 2021 [Bankr. D.I. 2119] and July 28, 2021 [Bankr. D.I. 2648]. The mediation is ongoing and has not yet concluded.

**SAUL EWING ARNSTEIN & LEHR LLP**

/s/ Mark Minuti

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*Counsel for Plaintiffs*

Dated: April 11, 2022